GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:2237
ANSWERED ON:06.08.2001
VALUATION REPORT OF BALCO
JASWANT SINGH YADAV;SURESH RAMRAO JADHAV (PATIL)

Will the Minister of MINES be pleased to state:

(a) whether valuation report in regard to BALCO has been prepared;

(b) if so, the details thereof and the present market value of its assets;

(c) whether the Government are considering to forward the valuation report to the Comptroller and Auditor General of India (C & A G);

(d) if so, the details thereof;

(e) if not, the reasons therefor; and

(f) the time by which the above report is likely to be forwarded to C&AG?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI JAYSINGRAO GAIKWAD PATIL)

(a) Yes, Sir.

(b) The Advisors undertook a detailed valuation exercise. For 100% of equity, they placed the valuation through Discounted Cash Flow method at Rs. 651.2 - 994.7 crore (for 51% - Rs. 332 - 507 crore); through the Comparable Valuation method at Rs. 587-909 crore (for 51% - Rs. 299-464 crore); and through Balance Sheet method at Rs. 597.2-681.9 crore (for 51% -Rs. 305-348 crore). The value of assets was placed around Rs. 1072 crore , 51% of which works out at Rs. 547 crore approximately.

(c)& (d) A copy of the reports of the advisors and assets valuation report was handed over to the office of Comptroller & Auditor General of India on 28th March, 2001.

(e) & (f) Does not arise.